

MAR 09 2004

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FEDERAL ELECTION  
COMMISSION  
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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

2004 MAR -9 A 10: 04

Charlene Spears  
Francis Stipe

MURs 4818 and 4933

**SENSITIVE**

GENERAL COUNSEL'S REPORT #15

**I. ACTIONS RECOMMENDED**

1. Accept two conciliation agreements.
2. Close the file as to two respondents.

**II. BACKGROUND**

MUR 4818 arose from a complaint alleging that Walt Roberts and Walt Roberts for Congress ("the Committee") knowingly and willfully violated 2 U.S.C. § 441a(f) by accepting prohibited contributions. Through the Commission's investigation, we discovered that Gene Stipe devised multiple schemes to contribute funds to the Committee, primarily with Charlene Spears, while hiding himself as the true source of the contributions. MUR 4933 involves a \$50,000 candidate loan derived from Gene Stipe's brother, Francis Stipe, through the McAlester Industrial Credit Corporation.

On May 31, 2002, the Commission found probable cause to believe that Spears knowingly and willfully had violated 2 U.S.C. § 441f and referred the matter to the Department of Justice (DOJ) for criminal prosecution. DOJ's criminal prosecution resulted in Spears' guilty plea. See GCR #10 (Sept. 26, 2003) at 3 (attaching Spears' guilty plea and discussing her criminal sentence). On October 9, 2003, the Commission found reason to believe Francis Stipe knowingly and willfully violated 2 U.S.C. §§ 441a(a)(1)(A) and 441f and authorized this Office to enter probable cause conciliation with Spears and pre-probable cause conciliation with Francis

1 Stipe. *Id.*<sup>1</sup> In this report, we recommend that the Commission accept conciliation agreements  
2 with Spears and Francis Stipe and close the file as to these respondents. Attachments 1-2.

3 **III. DISCUSSION**

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<sup>1</sup> To date, the Commission has accepted conciliation agreements with Gene Stipe for \$267,000, The Stipe Law Firm for \$101,000, Harold Massey, Sr., for \$36,000, Michael Mass for \$30,000, Larry Morgan for \$18,500, and Walt Roberts and Walt Roberts for Congress with no penalty due to his inability to pay. See GCR #14 (Jan. 16, 2004), GCR #11 (Nov. 28, 2003), GCR #12 (Dec. 9, 2003), and GCR #13 (Dec. 31, 2003), respectively. The next report forthcoming will address James E. Lane, Paul Beavers, and Edith "Susie" Beavers, the remaining respondents in this matter.

CONCILIATION INFORMATION IS CONTAINED IN PAGES 3-5.  
THESE PAGES HAVE BEEN REMOVED FROM THE FILE.

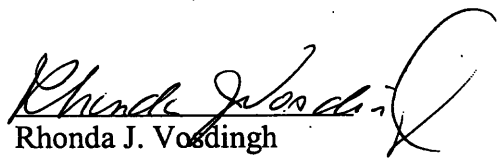
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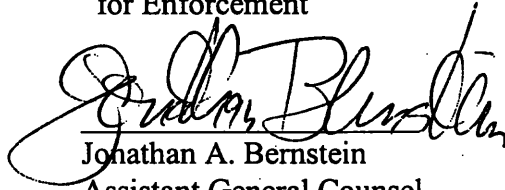
IV. RECOMMENDATIONS

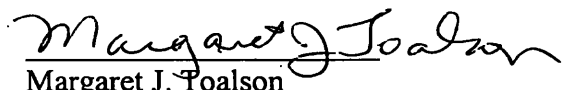
1. Accept the attached conciliation agreement with Charlene Spears.
2. Accept the attached conciliation agreement with Francis Stipe.
3. Close the file as to Charlene Spears and Francis Stipe.
4. Approve the appropriate letters.

Lawrence H. Norton  
General Counsel

3/5/07  
Date

BY:   
Rhonda J. Vording  
Associate General Counsel  
for Enforcement

  
Jonathan A. Bernstein  
Assistant General Counsel

  
Margaret J. Toalson  
Attorney



Daniel G. Pinegar  
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Attachments:

1. Conciliation Agreement – Charlene Spears
2. Conciliation Agreement – Francis Stipe

24-04-408-1476